

Message Text

SECRET

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ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W
-----011329Z 022194 /42

R 010700Z JUN 77
FM AMEMBASSY JIDDA
TO SECSTATE WASHDC 8518
INFO USINT BAGHDAD

S E C R E T SECTION 1 OF 2 JIDDA 3929

EXDIS

FROM WILEY

E.O. 11652: GDS
TAGS: PFOR, US, IZ
SUBJECT: U.S.-IRAG BILATERAL RELATIONS

BEGIN SUMMARY: HABIB VISIT TO BAGHDAD VIEWED BY MORE
KNOWLEDGABLE IRAQIS AS A STEP IN DIRECTION OF RESUMING RELATIONS,
BUT THEY ARE NOT OPTIMISTIC THAT FULL RELATIONS ARE ABOUT TO BE
RESTORED. MY ASSESSMENT IS THAT RESUMPTION WILL DEPEND ON
FACTORS EXTRANEIOUS TO U.S.-IRAQI BILATERAL RELATIONS. I ALSO
BELIEVE THAT WE SHOULD NOT MOVE RAPIDLY TO ASSIGN MY REPLACEMENT
IN ABSENCE OF ANY POSITIVE RESPONSE FROM GOI TO OUR RECENT
EFFORTS. END SUMMARY.

1. UPON THE DAY OF MY DEPARTURE FROM BAGHDAD, THE GOI
GAVE ME THE FULL PROTOCOL TREATMENT NORMALLY RESERVED FOR
AN ACCREDITED AMBASSADOR. THE FOREIGN MINISTRY OPENED
THE VIP LOUNGE, AND I WAS SEEN TO THE PLANE BY THE DEPUTY
CHIEF OF PROTOCOL AND GIVEN AN ENGRAVED SILVER CIGARETTE BOX
AS A FAREWELL GIFT.

2. EARLIER IN THE WEEK, HOWEVER, MY DEPARTURE CALLS AT THE
FOREIGN MINISTRY HAD BEEN ARRANGED MORE IN ACCORDANCE WITH
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MY STATUS AS CHIEF OF AN INTERESTS SECTION. I WAS GIVEN
APPOINTMENTS WITH THE FOREIGN MINISTRY DIRECTOR GENERALS,
WITH WHOM I HAD HAD FREQUENT WORKING CONTACTS, BUT NONE WITH
MORE SENIOR OFFICIALS AT THE LEVEL NORMALLY SEEN BY DEPARTING
AMBASSADORS.

3. WHILE THE HABIB VISIT RAISED SOME HOPES AMONG PRO-WESTERN

IRAQIS THAT RELATIONS WITH THE U.S. WOULD SOON BE RESUMED, MY MORE KNOWLEDGABLE CONTACTS IN THE FOREIGN MINISTRY WERE MUCH MORE RESERVED. THEY BELIEVED THAT THE VISIT WAS A POSITIVE STEP, BUT THEY WERE NOT OPTIMISTIC THAT IT WOULD QUICKLY LEAD TO FULL DIPLOMATIC RELATIONS. SOME GAVE MORE WEIGHT TO THE LIKUD VICTORY IN ISRAEL AS A STEP TOWARDS RENEWED RELATIONS ON THE GROUNDS THAT THE ELECTION OUTCOME HAD KILLED ANY CHANCE FOR A GENEVA CONFERENCE AND THUS REMOVED ONE OF THE MAJOR OBSTACLES TO AN IMPROVEMENT IN US-IRAQI RELATIONS.

4. MY OWN ASSESSMENT IS THAT THE HABIB VISIT WAS A STEP TOWARD BETTER RELATIONS, BUT THE FINAL DECISION TO RESUME RELATIONS WILL DEPEND PRIMARILY ON FACTORS EXTERNAL TO US-IRAQI BILATERAL RELATIONS. I BELIEVE THAT FOREIGN MINISTER HAMMADI AND VICE CHAIRMAN SADDAM HUSSEIN REALIZE THAT NON-RELATIONS WITH THE U.S. IS AN ANOMALY AND THEY WOULD PREFER TO HAVE A U.S. AMBASSADOR IN BAGHDAD. AT THE SAME TIME, THEY FEAR THE POSSIBLE CONSEQUENCE OF TAKING POSITIVE ACTION TO RESTORE RELATIONS. SUCH A VISIBLE STEP MIGHT BE INTERPRETED BY THE THOROUGHLY BRAINWASHED BAATH PARTY CADRES, AND PERHAPS BY THE SOVIET UNION, AS A CHANGE IN BASIC IRAQI POLICIES. THIS IN TURN COULD TRIGGER UNDESIRABLE REACTIONS BOTH FOR IRAQ'S PRECARIOUS INTERNAL POWER BALANCE AND FOR ITS DELICATE RELATIONSHIP WITH THE USSR.

5. TO THE RANK AND FILE BAATH PARTY LOYALISTS AND THE SECURITY ORGANIZATION HEAVIES, ALL FOREIGN DIPLOMATS ARE OBJECTS OF CONSIDERABLE SUSPICION AND DISTRUST, BUT PARTICULARLY THOSE OF THE MAJOR POWERS. A RESUMPTION OF RELATIONS WITH THE U.S. WOULD, THEREFORE, SEEM THREATENING TO THESE GENTLEMEN. THEY BELIEVE THAT

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THE UNITED STATES GOVERNMENT WOULD SOMEHOW USE AN EMBASSY IN BAGHDAD FOR HOSTILE PURPOSES AND THAT BY RENEWING RELATIONS THE GOI WOULD EXPOSE ITSELF TO INTERNAL MANIPULATION BY THE WORLD'S MOST "IMPERIALISTIC" POWER.

6. THE "EVIL" INTENTIONS OF THE WEST HAVE BEEN TRUMPETED DAILY BY THE GOI CONTROLLED IRAQI MEDIA FOR THE LAST 20 YEARS, AND DESPITE THE LARGE MEASURE OF BOREDOM WHICH SUCH PROPAGANDA GENERATES IN ITS CAPTIVE AUDIENCES, IT HAS INEVITABLY HAD SOME EFFECT ON ATTITUDES,

PARTICULARLY AMONG THE MORE POLITICALLY ACTIVE YOUNGER GENERATION WHO ARE NOW MOVING INTO POSITIONS OF REAL POWER WITHIN THE BAATH PARTY APPARATUS.

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7. IN THE SHORT RUN, THERE IS LITTLE THE USG CAN DO TO REVERSE THESE DEEPLY HELD ATTITUDES. WE CAN REMAIN READY TO RESPOND TO ANY IRAQI MOVE TOWARDS NORMALIZATION OF RELATIONS, AND, FROM TIME TO TIME, RESTATE OUR READINESS TO RESUME WITHOUT CONDITIONS. A MORE ACTIVE CAMPAIGN ON OUR PART WOULD ONLY ADD TO IRAQI SUSPICIONS, AND PROBABLY DELAY THE TIME WHEN FULL RELATIONS ARE FINALLY RESTORED.

8. IN FACT, APART FROM A CERTAIN BUREAUCRATIC TIDINESS, THERE WOULD SEEM TO BE ONLY LIMITED ADVANTAGES FOR THE USG IN RESUMING FULL RELATIONS WITH IRAQ. MOST AMBASSADORS IN BAGHDAD, PARTICULARLY THOSE FROM THE WESTERN "IMPERIALIST" COUNTRIES, HAVE LITTLE ACCESS TO IRAQI DECISION MAKERS. ALMOST ALL OF THEIR WORKING CONTACTS WERE ON THE SAME LEVEL AS MY OWN. ALL THE AMBASSADORS COMPLAINED ABOUT THE ISOLATION OF THE DIPLOMATIC COMMUNITY, AND I SINCERELY DOUBT THAT AN AMERICAN AMBASSADOR COULD HAVE HAD SIGNIFICANTLY MORE INFLUENCE ON IRAQI POLICIES THAN I DID, AT LEAST UNDER EXISTING CONDITIONS IN BAGHDAD. AS FOR DAY TO DAY WORKING LEVEL ACTIVITY, SUCH AS CONSULAR PROBLEMS, CULTURAL EXCHANGES, AND COMMERCIAL MATTERS, THE INTERESTS SECTION WAS TREATED EQUALLY, AND IN MANY CASES BETTER, THAN THE OTHER EMBASSIES.

9. AS FOR OUR COMMERCIAL RELATIONS, WHICH WE HAD HOPED TO USE AS A WEDGE FOR BETTER POLITICAL RELATIONS, I AM RATHER PESSIMISTIC. THE IRAQI REACTION TO THE PENDING ANTI-BOYCOTT LEGISLATION WILL BE
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CHARACTERISTICALLY RIGID. U.S. FIRMS WILL PROBABLY BE PLACED AT A DISTINCT DISADVANTAGE IN COMPETING FOR THE BULK OF IRAQ'S \$40 TO \$50 BILLION DOLLAR DEVELOPMENT PROGRAM, EXCEPT FOR THE CRUMBS THEY CAN PICK UP AS SUBCONTRACTORS OR SUPPLIERS FOR THE YUGOSLAVS, JAPANESE, AND OTHERS WHO WIN THE PRIMARY CONTRACTS.

10. THE IRQIS ALSO LACK CONFIDENCE IN THEIR OWN ABILITY TO AVOID BEING "TAKEN" BY SMOOTH-TALKING PROFIT-MOTIVATED WESTERN BUSINESSMEN. THEY FEEL MORE AT HOME NEGOTIATING WITH THEIR BUREAUCRATIC COUNTERPARTS IN THE MINISTRIES OF INDUSTRY OR AGRICULTURE IN THE EAST EUROPEAN AND SOVIET GOVERNMENTS. AS A RESULT, THE GOI HAS ATTEMPTED TO REDUCE THE NUMBER OF PROMOTERS AND WHEELER-DEALERS VISITING IRAQ FROM THE WESTERN COUNTRIES BY TIGHTENING UP ON ITS VISA REQUIREMENTS. A VISITING BUSINESSMAN MUST NOW BE INVITED BY THE GOI OR BY AN ESTABLISHED PRIVATE IRAQI BUSINESSMAN BEFORE HE CAN OBTAIN A VISA. IN THE PROCESS, OF COURSE, A NUMBER OF LEGITIMATE AMERICAN BUSINESSMEN HAVE BEEN TURNED AWAY, SOMETIMES AFTER CONSIDERABLE INITIAL INVESTMENT OF TIME AND MONEY, AND THE IRAQI REPUTATION WITHIN THE AMERICAN BUSINESS COMMUNITY AS A DIFFICULT PLACE TO DO BUSINESS HAS BEEN FURTHER REINFORCED. THE COMBINATION OF THE NEW U.S. ANTI-BOYCOTT LEGISLATION AND IRAQ'S NEW VISA POLICIES WILL PROBABLY SERIOUSLY DEPRESS THE VOLUME OF COMMERCIAL TRADE BETWEEN THE U.S. AND IRAQ IN COMING YEARS.

11. IN LIGHT OF THE ABOVE, I BELIEVE THAT THE USG SHOULD BE IN NO HURRY TO REPLACE ME IN BAGHDAD. IF THE GOI REACTS POSITIVELY TO THE HABIB VISIT AND PROCEEDS WITH A REASONABLY PROMPT RESUMPTION OF RELATIONS, THERE WOULD BE NO NEED TO ASSIGN A REPLACEMENT AS PRINCIPAL OFFICER, BUT RATHER TO SELECT AN AMBASSADOR AND A DCM. IF THE GOI STONEWALLS, AS I BELIEVE TO BE MORE LIKELY, IT WOULD BE BETTER TACTICS ON OUR PART TO LEAVE MY PREVIOUS POSITION VACANT FOR SOME PERIOD OF TIME AS A SIGNAL TO THE GOI THAT WE BELIEVE THAT IT IS NOW THEIR TURN TO MOVE. IF, AT SOME LATER DATE, THEY INDICATE AN INCREASED WILLINGNESS TO CONDUCT A SUBSTANTIVE DIALOG THROUGH THE SECRET

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USINT PRINCIPAL OFFICER, WE COULD AT THAT TIME ASSIGN AN APPROPRIATELY SENIOR OFFICER TO USINT. WITHOUT ANY SUCH INDICATION FROM THE GOI OR ANY OTHER POSITIVE RESPONSE TO THE HABIB VISIT, I BELIEVE IT WOULD BE BETTER TACTICS TO LEAVE MY POSITION VACANT FOR THE TIME BEING WHILE WE WATCH HOW THE SITUATION DEVELOPS.

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